



State of Utah

PUBLIC SERVICE COMMISSION OF UTAH

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September 25, 2002

Magalie R. Salas
Office of the Secretary
Federal Communications Commission
455 - 12th Street, SW
Washington, DC 20554

Re: **CC Docket No. 96-45, In the Matter of Federal-State Joint Board on Universal Service**

Annual State Certification Pursuant to 47 C.F.R. §54.314

Dear Ms. Salas:

Pursuant to 47 C.F.R. §54.314, state commissions must file an annual certification with the Universal Service Administrative Company (USAC) and the FCC stating "that all federal high-cost support provided to eligible telecommunications carriers will be used only for the provision, maintenance and upgrading of facilities and services for which the support is intended."

Utah Eligible Telecommunications Carriers (companies) Certified With This Letter:

Company Name (Exchange Carrier Study Area Code)

All West Communications, Inc. (502288)
Bear Lake Communications, Inc. (503032)
Beehive Telephone Company, Inc. (502284)
Central Utah Telephone, Inc. (502277)
Citizens Telecommunications Company of Utah (504429)
Emery Telcom (502278 -- includes Carbon/Emery Telecom and Hanksville Telecom)
Gunnison Telephone Company (502279)
Manti Telephone Company (502282)
Navajo Communications Company (504449)
Skyline Telecom (502283)
South Central Telephone Association (502286)
UBTA Communications (502287 -- includes UBET Telecom, Inc.)
Union Telephone Company (512297 -- Utah segment only)

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The Utah Public Service Commission (Commission) has substantial jurisdiction over these companies' regulated activities, including the Cooperative Associations, through the manner in which it administers the state high-cost fund (State USF) and local ratemaking process (rate of

The Utah Public Service Commission (Commission) has substantial jurisdiction over these companies' regulated activities, including the Cooperative Associations, through the manner in which it administers the state high-cost fund (State USF) and local ratemaking process (rate of return regulation). Each company is subject to audits in conjunction with state rate cases. These audits validate the use of federal and state high-cost support and the potential to continue to comply with applicable requirements. Each rate case takes into account any federal high-cost support received by a particular company in determining a company's eligibility for state high-cost support. This has the effect of reducing the company's intrastate revenue requirement and contributes to keeping rates reasonable and affordable.

In addition, we obtained statements from each of the companies listed below. Each company claims that it "is complying with the requirements of Section 254(e) and will continue to comply for the period January 1, 2003 through December 31, 2003 (the certification period) to be eligible to receive federal USF. The company certifies to the Commission that it will use all federal high-cost support provided to it only for the provision, maintenance and upgrading of facilities and services for which the support is intended consistent with the principles of universal service 47 U.S.C. 254. This includes, but is not limited to, trying to meet the goal of the provision of services that are properly supported by the high-cost funds at rates that are reasonably comparable to rates charged for similar services in urban areas."¹

Each of these companies has demonstrated its ability to comply with state and federal rules and regulations regarding the use of high-cost support. Given the number of safeguards already in place at the federal level, and in light of the manner in which we oversee application of federal and state high-cost support in combination with each company's formal statement regarding use and intent to use federal high-cost support, our reliance on such information is sufficient basis to provide this certification.

Accordingly, we certify that the above-listed eligible telecommunications carriers comply with the requirements of Section 254(e) and will continue to comply for the period January 1, 2003 through December 31, 2003 (the certification period) to be eligible to receive federal high-cost support, and that each company will use its federal high-cost support only for the provision, maintenance, and upgrading of facilities and services for which the support is intended, consistent with Section 254(e) of the Communications Act.

Utah Company Self-Certified With This Letter:

This Commission granted Western Wireless Corporation Eligible Telecommunication Carrier (ETC) status in Qwest's service territory as part of the Utah Docket No. 98-2216-01. Notification of Western Wireless' ETC status was sent to the FCC at the time ETC status was granted to Western Wireless.

On September 13, 2002, we received the enclosed self-certification by Western Wireless regarding the potential use of USF money. Because this Commission does not audit Western Wireless nor does Western Wireless participate in any rate setting with this Commission we do

¹ Statement made in each company self-certification letter to the Utah Public Service Commission.

not have the same familiarity with Western Wireless' use of USF money. By forwarding this information, the Commission is not certifying that Western Wireless is presently in compliance, nor are we waving our right to review compliance in the future. We are merely forwarding the self-certification for your review.

Utah Companies Not Certified With This Letter:

CenturyTel of Eagle Inc. (CenturyTel) (Exchange Carrier Study Area Code 462185) provides local exchange service to approximately 6 to 8 Utah customers on the border of Colorado via facilities located in Colorado. Farmers Telephone Company (Farmers) (Exchange Carrier Study Area Code 462188) provides local exchange service to approximately 8 Utah customers on the border of Colorado via facilities located in Colorado. Albion Telephone Company (Albion) (Exchange Carrier Study Area Code 472213) provides local exchange service to approximately 27 Utah customers on the border of Idaho via facilities located in Idaho. All ratemaking procedures for these companies has historically been deferred to the Colorado Public Utilities Commission or Idaho Public Utilities Commission accordingly.

Due to our limited oversight, we hereby defer certification of CenturyTel and Farmers to the Colorado Public Utilities Commission and defer certification of Albion to the Idaho Public Utilities Commission consistent with the ratemaking process for these companies.

Respectfully,


Stephen F. Mecham, Chairman
Utah Public Service Commission